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Thailand

Rice Price - Weekly

Weekly Rice Price Update

Approved By:

Orestes Vasquez, Agricultural Attaché

Prepared By:

Ponnarong Prasertsri, Agricultural Specialist

Report Highlights:

TH0072 Domestic and export prices declined slightly by 1.0 percent from the previous week due to quiet foreign demand. The weekly benchmark prices for May 3-9 increased slightly from the previous week by 1 percent.

Post:
Bangkok

Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Weekending May 3, 2010

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	975	-	1,000	-	980	945	-	975	975
WR 100 B	470	-	485	-	490	485	490	484	486
PB 100%	465	-	470	-	490	480	520	485	484
PB 5%	460	-	460	-	470	475	515	476	477
WR 5%	440	-	455	-	470	460	480	461	465
WR 10%	435	-	445	-	460	455	-	449	453
WR 15%	420	-	425	-	-	450	-	432	433
WR 25%	390	-	400	-	-	420	-	403	405
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	315	-	325	-	350	335	-	331	334
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 32.0 baht/U.S.\$

Source: Average actual prices received from exporters

Domestic and export prices declined slightly by 1.0 percent from the previous week due to quiet foreign demand. Last week's domestic price rally was temporary as the psychological impact of the government's actions on the modifications of the benchmark prices and direct purchase program have faded away. The market has factored-in the fact that foreign buyers continue buying cheaper Vietnamese white rice. However, premium parboiled rice prices increased slightly as the market expects that current-crop white rice paddy supplies will be affected by the direct purchase program. In the current environment, exporters have revised down rice exports at 8.5 million tons, especially since the government remains uncertain about its stock release.

The weekly benchmark prices for May 3-9 increased slightly from the previous week by 1 percent; as such farmers will receive lower compensation. Farmers that sell their supplies in this period will not attain insurance price levels, as the market prices surpass the compensation prices.

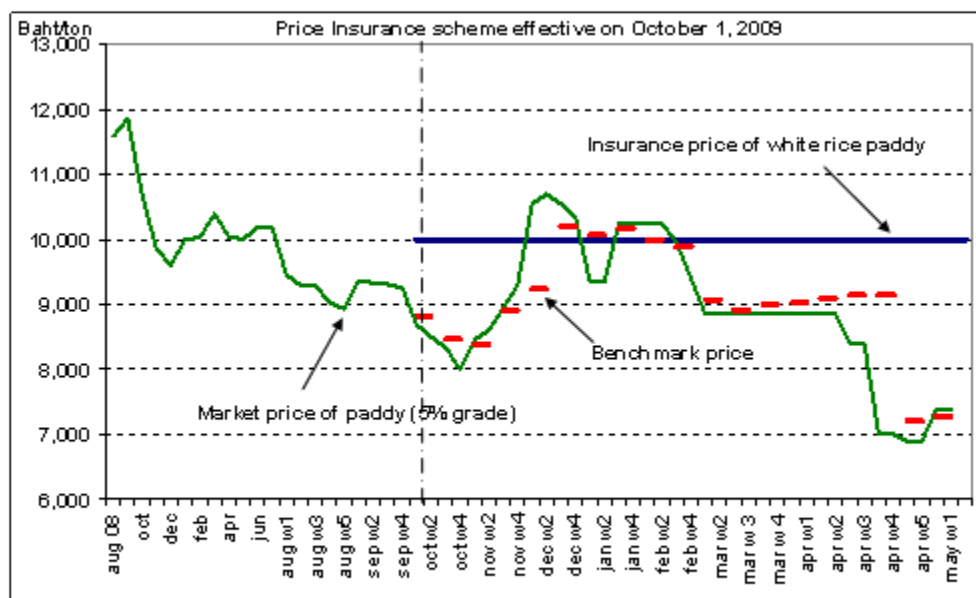
Table 2: Price Insurance Scheme for MY 2009/2010 rice crop

	Rice paddy				
	Fragrant rice (Hommati)	Provincial fragrant rice	Pathum fragrant rice	Glutinous rice	White rice
1. Eligible tonnage (ton/household) [■]	14	16	25	16	25
2. Insured prices (Baht/ton) [■]	15,300	14,300	11,000 [■]	9,500	10,000
3. Benchmark prices (Baht/ton) [■]					
Apr. 12-18	-	-	10,433	11,094	9,142
Apr. 19-25	-	-	10,433	11,094	9,142
Apr. 26 - May 2 [■]	-	-	9,292	11,106	7,210
May 3-9	-	-	9,781	11,382	7,289
4. Compensation (1-2), (Baht/ton)					
Apr. 12-18	-	-	567	-	858
Apr. 19-25	-	-	567	-	858
Apr. 26 - May 2	-	-	1,708	-	2,790
May 3-9	-	-	1,219	-	2,711
5. Market prices (Baht/ton)					
Apr. 12-18	13,850	13,900	9,700	12,250	8,400
Apr. 19-25	14,000	13,900	9,150	12,250	7,000
Apr. 26 - May 2	13,450	13,900	9,700	12,250	6,900
May 3 - 9 [■]	13,325	13,250	9,750	12,500	7,400

Note:

[■] Cabinet approval on Sep. 22, 2009[■] Starting March 8, 2010 the benchmark prices will be published on a weekly basis instead of twice a month on the 1st and 16th, based on average historical wholesale prices of last 15 days in Bangkok. The prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary General of the Ministry of Commerce.[■] Starting Apr. 26, 2010 the benchmark prices will be based on average wholesale price of last week in Bangkok.[■] The insured prices of MY 2009/10 second-crop Pathum Fragrant rice were revised up from 10,000 tons/MT in MY2009/10 main-crop price insurance scheme, effective Mar. 16, 2010[■] As of May 3, 2011

Figure 2: Comparison of market price, insurance price, and benchmark price



Note: 1/ Benchmark prices are average historical wholesale prices which will be used for the calculation of compensation to farmers. The compensation is based on the difference between insurance prices and benchmark prices.

Rice Export Update

Unofficial rice exports (excluding fragrant rice) for April 26 – May 2, 2010 totaled 101,686 tons, down 1,621 tons from the previous week, and up 7,631 tons from the four-week moving average of 94,054 tons. Exports of white rice and parboiled rice during January 1 – May 2, 2010 totaled 1,982,169 tons, up 11.2 percent from 1,783,198 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – April 23, 2010 amounted to 2,545,947 tons, down 0.5 percent from 2,557,689 tons in the previous year.

Table 3: Weekly rice exports (excluding fragrant rice)

WEEK ENDING	QUANTITY	4 WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Feb 21	139,182	116,028	886	783	13.1
Feb 28	157,915	129,395	1,043	880	18.6
Mar 7	135,227	138,568	1,178	974	21.0
Mar 14	113,829	136,538	1,292	1,077	19.9
Mar 21	119,203	131,543	1,411	1,166	21.1
Mar 28	93,840	115,525	1,505	1,254	20.0
Apr 4	101,112	106,996	1,606	1,358	18.3
Apr 11	116,187	107,586	1,722	1,446	19.1
Apr 18	55,038	91,545	1,778	1,494	19.0
Apr 25	103,306	93,911	1,881	1,640	14.7
May 2	101,686	94,054	1,982	1,783	11.5

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Source: Board of Trade of Thailand

Table 4: Weekly private registered rice export sales

Movement (MT)	Apr. 12-16	Apr. 19-23	Apr. 26-30 (Preliminary)
Weekly sales	24,250	155,610	80,997
4 week sum	351,174	415,297	384,725
4 week mov. avg.	87,794	103,824	96,181
Year-to-date sales	1,976,697	2,132,307	2,213,304

End of report.